

## 1. What is the Enterprise Transition Plan (ETP)? How does the ETP complement the Business Enterprise Architecture (BEA)?

The BEA is the blueprint and the ETP is the roadmap for the Department's business transformation. The BEA provides the architectural framework for the Department's interoperable information infrastructure. The ETP articulates a systematic process for delivering improved capabilities that will have a major impact on the performance of DoD's business mission.

## 2. How does the ETP support Defense Business Transformation?

The Enterprise Transition Plan (ETP) guides and tracks the business transformation of the DoD Business Mission Area (BMA) by: 1) describing what DoD is trying to achieve and how we will know when we get there; 2) capturing milestones and metrics to guide Business Capability improvements; 3) identifying tangible benefits for each investment; and 4) documenting a baseline against which to measure progress. Components develop strategies, schedules, and budgets and define Business Capabilities in their transition plans that are then incorporated into the DoD-wide ETP. The Enterprise and Component priorities, as well as the detailed plans for achieving them, are aligned in the ETP. The ETP summarizes planning information for selected programs that support the Enterprise priorities and for Component programs that support Component or Enterprise priorities. This summary—the ETP—provides an integrated product for communicating and measuring progress.

## 3. What progress has been made in Defense Business Transformation to date?

The DoD has instituted a strong governance structure, actively led by the Deputy Secretary of Defense and the Department's most senior leaders, to guide and manage its business transformation efforts. This governance structure is headed by the Defense Business Systems Management Committee (DBSMC). The following lists some key recent accomplishments in Defense Business Transformation:

- DoD establishes the Business Transformation Agency to execute Enterprise-level business transformation.
- Moved enterprise programs under the DBSAE (the Defense Business Systems Acquisition Executive) to drive efficiency and effectiveness
- Updated the blueprint (BEA) and roadmap (ETP) for business transformation
- Published Business Transformation Guidance (BTG)
- Created an Investment Management (IM) Framework for reviewing business system investments
- Established Enterprise Integration forums to better align Component ERP implementations
- On track to meet 87% of FY06 milestones compared to the September 2005 ETP baseline
- Created a Business Value Added Framework to align programs with key business outcomes
- Began tracking business capability metrics and targets
- Established Iraq Task Force to streamline and transform the DoD contracting processes and systems in Iraq

Based on recent BTA momentum and a heightened need to speed business transformation support to deployed forces, the Deputy Secretary of Defense tasked the BTA with the "mission of streamlining and transforming the DoD contracting processes and systems in Iraq." The mandate is to facilitate economic development and job creation in Iraq, thereby accelerating stabilization and reconstruction efforts. In response, the BTA stood up a Task Force that will ensure contracts for goods and services are available as appropriate to Iraqi and US government organizations.

## 4. What are Core Business Missions and how do they differ from Business Enterprise Priorities?

The BMA encompasses five Core Business Missions (CBMs), which are:

- Human Resources Management
- Weapon System Lifecycle Management
- Materiel Supply and Service Management
- Real Property & Installations Lifecycle Management
- Financial Management

These five Core Business Missions integrate horizontally across all business functions (e.g., planning, budgeting, IT, procurement, maintenance, etc.) to provide end-to-end support. The Department's business transformation effort integrates these five CBMs to ensure that their processes, systems, and operations work in coordination with one another.

The Enterprise-level business priorities serve as short-term objectives, driving specific programs that deliver capabilities in support of each of the CBMs. These six Business Enterprise Priorities each make critical business information more visible and accessible:

- Personnel Visibility
- Acquisition Visibility
- Common Supplier Engagement
- Materiel Visibility
- Real Property Accountability
- Financial Visibility

These priorities represent those areas where increased focus will bring the most dramatic and immediate positive impact on the business missions of DoD, enabling the Department to better answer basic questions about its people, its assets, its suppliers, and its investments. The plan for each priority details measurable program and Business Capability deliverables spread over the next several years.

## **5. What are the six current Business Enterprise Priorities, and what benefits do they provide?**

The Business Enterprise Priorities help focus the Department's attention and resourcing on areas that will have the greatest impact across the enterprise. These six priorities will provide enduring improvements and benefits to the Department's business infrastructure. The six Business Enterprise Priorities detailed in the current version of the ETP are:

- Personnel Visibility (PV), which is focused on providing access to reliable, timely, and accurate personnel information for warfighter mission planning. Benefits include timely availability of accurate HR and military pay data to Services, warfighters, and managers at all levels; enabled management of DoD HR in a combined (military, civilian, and contract support personnel) environment; and optimized health, health planning, and health management of all beneficiaries.
- Acquisition Visibility (AV), which is focused on providing transparency and access to information critical to supporting lifecycle management of weapon systems and automated information systems. Benefits: a more flexible business environment that supports better investment decisions, greater accountability, increased management agility, and improved reporting to Congress..
- Common Supplier Engagement (CSE), which is focused on aligning and integrating policies, processes, data, technology, and people to simplify and standardize the methods that DoD uses to interact with commercial and government suppliers. Benefits: Improved supplier relationships through consistent data and processes between DoD and its suppliers; reliable and accurate delivery of goods and services; increased visibility of supplier activities that increase ability to meet socioeconomic goals; and operational efficiencies in contingency and garrison operations through standardized data, processes, and systems.
- Materiel Visibility (MV), which is focused on improving supply chain performance. Benefits include timely and accurate information on the location, movement, status and identity of materiel and supplies for the warfighter.
- Real Property Accountability (RPA) provides the Warfighter and CBMs access to near-real time secure, accurate and reliable information on real property assets, and environment, safety and occupational health sustainability. Benefits include increased visibility and access to real property data across the enterprise, improving real property decision making based on timely, accurate, and consistent information standards.
- Financial Visibility (FV), which is focused on providing immediate access to accurate and reliable financial information that will enhance efficient and effective decision making. Benefits: Standardized financial data and reporting processes that enable decision makers to reliably evaluate program options and resource constraints; will also enable greater financial accountability and eventually clean audits for the Department.

## **6. What information does the ETP provide for each Business Enterprise Priority ?**

The ETP describes each Business Enterprise Priority's goals, objectives, and business capabilities to be improved. Additionally, the ETP provides target outcome metrics and current measurements for each business capability.

Moreover, the ETP identifies the programs (systems and initiatives) that will provide these capability improvements along with associated cost, schedule, and performance management information. The ETP also provides the organizational scope and functional span for the target systems in each priority as well as system migration and termination plans.

## **7. Do the Business Enterprise Priorities cover all business transformation efforts in the Department?**

The initial set of Business Enterprise Priorities represents the current DoD-wide business transformation priorities of DoD. Additionally, Components develop strategies, schedules, and budgets and define Business Capabilities in their transition plans, which are then incorporated into the DoD-wide ETP. The Business Enterprise Priorities —and the detailed plans for achieving them—plus the individual Component priorities are all aligned in the ETP. The ETP summarizes planning information for selected programs that support the Business Enterprise Priorities and for Component programs that support Component priorities. This provides an integrated product for common review, communication, and update.

Business Enterprise Priorities were identified as priorities because they will have the greatest impact across the enterprise and provide improvements to the most urgent and important needs of the CBMs. These priorities will yield significant improvements over the next two years, which can be measured as incremental improvements over each six-month period. The Department's transformation priorities will evolve as transformation efforts progress.

## **8. What accomplishments have been made at the DoD Enterprise-level?**

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At the one-year mark, the Business Enterprise Priorities met 87% of their milestones established in the September 2005 ETP. Selected highlights are listed below, with additional detail available in Appendix J of the September 2006 Enterprise Transition Plan. Appendix J is found online at [www.dod.mil/dbt](http://www.dod.mil/dbt).

### ***Personnel Visibility***

- Established a DoD-wide warehouse for Defense civilian personnel data
- Completed Air Force and Army Go Forward Assessments for DIMHRS (Pers/Pay). Proceeding with implementation, as directed by the DBSMC

### ***Acquisition Visibility***

- Provided Congress with access to the unclassified portions of Selected Acquisition Reports (SAR) data for 89 programs using standard desktop browsers. Over 6,000 individual reports are now available electronically

### ***Common Supplier Engagement***

- Implemented improvements to contingency contracting, enhancing the accuracy, accountability, and visibility of procurement in-theater
- Created a single enterprise system for electronic document storage, with 50,000 users, that serves as a feeder to Wide Area Workflow

### ***Materiel Visibility***

- Completed initial military equipment valuations for warfighting assets on 1,101 programs, providing for the first time the acquisition cost and useful life of each item of military equipment in the DoD inventory, using a consistent approach that can be audited.
- Kicked-off an initiative that will enable DoD to use commercial data standards for online transactions. Expanded the requirement to affix packages with passive RFID tags to improve materiel visibility

### ***Real Property Accountability***

- Enacted a policy that ensures enterprise-wide compliance with procedures for managing real property inventory, and drafted standard business processes and information requirements for accepting real property

### ***Financial Visibility***

- Deployed a Comptroller Dashboard (with BEIS using SFIS) to provide visibility of daily status of funds including funds for contingency operations
- Deployed a BEIS web service as the authoritative source for SFIS values

## **9. How do the Component Transformation Plans integrate with the ETP?**

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The Components are continually supporting the Business Enterprise Priorities by transforming their business practices and systems based on the DoD BEA and ETP. Additionally, each Component manages its own priorities to improve mission effectiveness and efficiency. Components have created and will maintain Component Transformation Plans that present their transformation vision and goals and identify their Component priorities. Just as with the ETP, Component transition plans document planning information on these priorities.

The ETP shows how:

- Components leverage enterprise solutions: For instance, the Army plans to leverage capabilities provided by the DoD Enterprise through DIMHRS. The Army is designing and developing new business processes that will prepare the Army for the implementation of DIMHRS.
- Components support enterprise priorities: For instance, the use of an ERP solution set—ECSS, IUID, RFID, and APS—supports the DoD Business Enterprise Priorities Materiel Visibility and Financial Visibility while supporting several key Air Force priorities.

- Components work together for joint benefit: For instance, IGC will establish common integrated data services to provide a cohesive solution for management of supply, distribution, and logistics information through a single environment between DLA and USTRANSCOM for consistent access to common, authoritative data, business standards, and information.

This version of the ETP also depicts the organizational span of solutions more clearly—specifying which systems provide what functionality to which organizations.

Future versions of the ETP will achieve tighter integration between DoD Enterprise and Component transition plans, assess the maturity of DoD's Business Capabilities, and reflect the Department's progress in achieving business transformation goals and milestones.

## 10. What progress have the Components made in transformation?

Some of the key business transformation accomplishments made by Components over the past year as a result of integrating with the ETP include:

### *Department of the Army*

- Implemented the Hazardous Material Management Program (HMMP) enterprise architecture, which was instrumental in defining roles and responsibilities of the program and yielded a cost avoidance of \$29M.
- Completed the General Fund Enterprise Business System (GFEBS) technology demonstration, gaining permission to go to development of the live system that will tie together all Army financial and management systems, resulting in approximately \$300M per year cost avoidance when completely fielded.

### *Department of the Navy (DoN)*

- Implemented DoD's Wide Area Workflow (WAWF) and saved \$11M in the first eight months of Fiscal Year 2006, through lower financial processing fees and reduced interest charges.
- Merged the Navy's authoritative contract database, Navy-Air Force Interface, with the DoD database, Electronic Document Access, eliminating \$1.4M in annual system sustainment costs and increasing information access for government, industry and the public.

### *Department of the Air Force*

- Successfully launched the Total Force Personnel Services Delivery (PSD) initiative on 31 March 2006, providing Airmen access to information and services 24 hours a day, seven days a week.
- Put into place Strategic Supplier Management agreements for 20 key parts and services vendors.
- Implemented weapon system commodity councils to orchestrate and leverage buying parts and repair services.

### *Defense Logistics Agency (DLA)*

- Added 5,323 users to several supply chains, added over 3 million National Stock Numbers, and is now managing \$10B in annual demand, all in support of the DLA Business Systems Modernization (BSM). BSM functionality now enables customers to make supply queries online, place orders, improve delivery time, obtain automated product data information, and provide commanders immediate access to stock information.
- Through the Customer Relationship Management (CRM) program, provided functionality for marketing, sales, and service processes, and removes inefficiencies that encourage customers to purchase goods independently rather than go through DLA. As of 31 May 2006, DLA sales from CRM had increased by \$73M.

### *U.S. Transportation Command (USTRANSCOM)*

- Partnered with DLA to analyze the opportunity to converge two separate information systems, IDE and the Global Transportation Network (GTN), to enhance end-to-end capability for the warfighter.
- Implemented a concept of operations for a transparent Distribution Portfolio Management process. Over 270 systems were deemed of distribution interest. Of those, over 200 systems have been selected as candidates for the Distribution Portfolio and 71 systems have been eliminated, consolidated, or targeted for future migration, significantly reducing duplication and costs within the Distribution Portfolio.

### *Defense Finance and Accounting Services (DFAS)*

- Established the Wounded-in-Action (WIA) Pay Account Management effort to address DoD problems in paying wounded Soldiers accurately and on time. As part of the WIA program, more than 58,000 battle and non-battle injured Military Pay accounts were reviewed, resulting in improved pay accuracy, reduction of related indebtedness problems, and reduction in the pay account review backlog by 92%.
- Converted and provided payment to 18,000 Environmental Protection Agency (EPA) pay accounts, as one of four federal payroll providers, thereby reducing costs to taxpayers.

## 11. How will the DoD provide more accurate, reliable, and timely information for management?

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The Business Enterprise Priorities support increased visibility into the Department's people, assets, suppliers, and investments through a strategy based on networked information, authoritative data sources, and the implementation of enterprise-wide standards.

The continued migration to a networked information (net-centric) environment is a key enabler to providing access to reliable management information. By leveraging digital networks, DoD will be able to more optimally distribute information currently locked in isolated applications and thereby enable visibility across end-to-end processes.

The Business Enterprise Priorities will also establish authoritative data sources (i.e., entered once and used by many) for accounting transactions, invoices, inventory management, and other documentation that supports the funding, purchasing, and distribution of weapons and supplies.

The use of enterprise-wide standards, such as SFIS, will help to ensure accurate, reliable, and timely business and financial transactions. Standards will also enhance interoperability and support improved decision-making.

## 12. What's new in the ETP?

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ETP enhancements since the March 2006 Congressional Report are focused on three aspects of Business Capability improvement: 1) measuring Department progress in achieving Business Capability improvements, 2) documenting Business Capability gaps and identifying which solutions address each gap, and 3) more clearly articulating the functional scope and organizational span of solutions.

Additionally, the current version of the ETP:

- Increased from 100 to 108 programs -- 56 programs changed (13 Enterprise/43 Component)
- Added the Military Health System to show Enterprise Level Medical Transformation
- Added the Business Value Added (BVA) Framework
- Added measurements and targets for capability metrics
- Added more Case-in-Point examples
- Updated milestone charts to reflect rebaselined dates
- Added results of Business Capability gap analysis
- Included system functional scope/organizational span charts
- Made some appendices accessible online only

## 13. What are the next steps for the ETP?

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The March 2007 Congressional Report and ETP update will show achievement of schedule milestones and status of future milestones, reflect the 2008 President's Budget, and align with BEA 4.1 changes.

During the coming year, DoD will enhance performance metric tracking, improve the quality of system functional scope and organizational span information, better integrate Component plans with Enterprise plans, better federate plans for each Business Capability, and evaluate adding other Components to the ETP. DoD will also include a more robust process for identifying Business Capability gaps and prioritizing associated improvements, and improving the authoritative sources of planning data. The March 2007 Congressional Report will also reflect increased alignment of the ETP with other DoD business transformation plans and programs.